Total prepares to hand out Moho Nord TLP

The award of the initial tension leg platform contract for Total’s US $8 Bn Moho Nord project off Congo Brazzaville is expected any day now, with only two consortia left vying for the deal.

The groups, led by old rivals Samsung Heavy Industries (SHI) and Hyundai Heavy Industries (HHI), are going to the wire after the FloaTEC and Daewoo Shipbuilding & Marine Engineering (DSME) groups were eliminated. HHI had been expected to be favourite for the deal because of its long history with Total and its alliance with French firm Doris which worked on the pre-FEED. However, AOG understands that the Samsung bid originally came in cheaper and HHI revised its offer after clarification meetings earlier this month.

At stake is the front end engineering and design contract with the full contract expected to be awarded in the first quarter of next year.

In the meantime the contest for the floating production unit (FPU) is also hotting up, with invitations to tender expected to be submitted in early August.

Bidders believe Total is looking for the cheapest price possible as it has set the hull at only shipbuilding specification with no further specific requirements. While DSME, HHI and Samsung Heavy are leading the way for the topsides, the hull specifications mean Chinese yards are also involved here.

The full FPU contract is expected to be awarded around the same time as the TLP contract and winning one may provide some help in the contest for the second. Being awarded the FEED for the TLP is also likely to help with winning the full engineering contract. HHI also won the $410m contract for the FPU for the original Moho project back in 2005.

Moho Nord is in the northern part of the Moho-Bilondo licence and will produce around 100,000 b/d of crude from recoverable reserves of around 300m bbl. The project is in 3,610ft (1,100m) of water with first oil expected in 2016. Associated gas will be piped to the LPG FSO at Total’s Nkossa field.

VAALCO Gabon platform bids set for October

VAALCO now expects to send out invitations to bid for its two platforms in the Etame block off Gabon in October.

The list of contenders is likely to include a series of Gulf of Mexico companies with the contacts up for grabs including fabrication, transportation, installation and hook-up.

McDermott is working on the design engineering and procurement management for a platform for Etame itself and on design engineering contract for a Southeast Etame/North Tchibala platform.

The topsides on each platform will weigh around 1,900 tonnes and the jackets around 1,450 tonnes.

The company produces from four fields on the block to the Petroleo Nautipa FPSO which has oil production capacity of 25,000 b/d. Currently there are platforms over Etame, one over Avouma and South Tchibala and one over the Ebouri field.

The second new platform will take in around 10m bbl of oil from the 2010 Southeast Etame discovery. The well was drilled to a total depth of 9,045ft (2,757m) and a second sidetrack of the well indicated an oil column of up to 90ft (27m).

This has marginal commerciality by itself and VAALCO also wants to take in the North Tchibala oil find made by Chevron in the 1980s. This is believed to have complex geology but also contains gas which will be used as a fuel for the FPSO and platforms.
E Guinea LNG train two closer as Ophir uncovers more gas
A second LNG train in Equatorial Guinea is one major step closer after the first of Ophir’s three wells aimed at finalising commercial reserves exceeded expectations.

The Tonel-1 well is the fifth find in Block R and the biggest, as Ophir now believes it has a recoverable mean resource of 800 Bcf of gas (133m boe) bringing the total in the block to around 2.2 Tcf. The minimum commercial threshold for a second LNG train on Bioko Island is estimated to be 2.5 Tcf.

The well encountered 385ft (117m) of net gas pay in the mid-Miocene sandstone target. The well was drilled in a water depth of 5,245ft (1,599m) to a total depth of 10,080ft (3,072m).

Tonel is the first in the three well Block R drilling campaign using the Eirik Raude semisub. It will now move to drill around Ophir’s previous Fortuna gas discovery.

Fortuna East-1 will start next week and results are expected in August. It will appraise 304 Bcf of the earlier Fortuna Fan discovery and test the 359 Bcf Viscata prospect.

Fortuna West-1 will follow with results expected in early September. It will appraise another 299 Bcf of the Fortuna Fan discovery and will separately test the 474 Bcf Felix target.

Tullow sets Mauritanian Banda investment date
Tullow Oil will make a decision on the commerciality of its US $700m Banda gas-to-power project off Mauritania in December.

Production is expected in 2014 and a power project company has been set up which has already entered into an agreement to purchase gas from the field 60km offshore.

FEED work on the upstream development comprising two wells linked to a 350 MW onshore power plant has started and Tullow is also looking at an oil tie-back to the FPSO at the Chinguetti field.

The power project company is composed of Somelec (the Mauritanian state electricity company) 40%, national mining company SNIM 26% and Kinross Gold Corp 34%.

The electricity will be used for mining activities, domestic Mauritanian consumption and could eventually be exported to neighbouring countries.

The shallow water Banda field has lain dormant since discovery back in 2002.

Petronas drilled two successful appraisal wells on Banda back in 2008 when it was operator - Banda Northwest and Banda East. The field lies in around 985ft (300m) of water and has estimated recoverable gas reserves of around 1.2 Tcf.

Saipem seizes US $800m onshore Nigeria gas deal
Saipem has been awarded a new US $800m onshore contract in Nigeria by Shell.

The lump sum turnkey contract has been awarded for the SSAGS (Southern Swamp Associated Gas Solution) project, to be developed at sites 65km southeast of Warri, in the Delta State.

The scope of work includes the engineering, procurement, construction and commissioning of compression facilities at the four sites of Ogbonto, Beneside, Opukushi and Tunu, and of new gas central production facilities in Tunu, which will treat the routed associated gas.

The project will be wholly domiciled in the country and represents the first time a project of this size is to be fully developed in Nigeria.

FIELD DEVELOPMENT
Rialto Côte d’Ivoire sanction before year end
Rialto Energy is still expecting to sanction its platform development off Côte d’Ivoire by the end of the year after completing testing of the penultimate well in its current programme.

The Gazelle-P3 ST2 well in Block C1-202 tested gas at 19.5 MMcf/d and an unestablished rate of 760 b/d of oil. The well has been suspended for future use and the rig is drilling the Gazelle-P4 well which is designed to appraise two additional oil reservoirs and three additional gas reservoirs.

Following this all subsurface data will be integrated with the final processed 3D seismic data and a revised competent persons report issued.

“We expect the successful drilling of the Gazelle-P4 well, together with the success achieved to date at Gazelle-P3 ST1/2, to result in the sanctioning of the Gazelle development by the end of 2012,” said MD Jeff Schrull.

Petrofac is working on the FEED contract with completion expected in October.

The production facilities will consist of a fixed production platform at Gazelle with oil and gas pipelines from the platform to shore. The pipelines will be designed with spare capacity for future production of up to 40,000 b/d and 230 MMcf/d but initial production is expected to be around 8,000 b/d and 100 MMcf/d. The production platform is expected to be sited in 131ft (40m) of water.

Technip waits for Africa surge
Technip believes the next 12-18 months will see major resurgence in activity in Africa after a slow period.

“Nigeria is still pretty slow although Egina could be sanctioned this year or early next year. Block 32 in Angola we could see that and some small to medium projects in Equatorial Guinea and medium to large in Ghana,” chief executive Thierry Pillenko said.

“In Mozambique we could see at the end of the 12-18 month period. We are going to see a different group of operators. It is unclear today what type of solution we will see. It could be a mix of standard LNG and floating LNG. Some of the operators [in Africa] are very keen to make decisions on some of the projects,” he added.

The company posted a 1.3% rise in second-quarter net profit and kept its outlook for the year as it saw no impact yet from the lower oil price and Europe’s economic troubles on its business.

Net income reached US $163m bolstered mainly by Technip’s fast-growing and high margin subsea business.

The order backlog hit another record in the second quarter, at $15.42 Bn, after taking in orders worth $3.03 Bn. The operating margin narrowed to 9.9% from 10.6% in the same period a year ago.
Cooper Tunisia platform appraisal progresses

Cooper Energy has signed up for a rig for what it hopes will be a final appraisal well on a platform development off Tunisia.

Unrest in the country, coupled with the financial crisis, has delayed drilling by more than two years compared to the original estimate but the Grup Servicii Petroliere jackup Jupiter will now drill the Hammamet West-3 well as early as December of this year.

The field is in the Bargou block around 12km from shore in a water depth of 165ft (50m).

WorleyParsons screened the options for the field which is expected to be developed using a small not normally manned platform to export oil and gas to an onshore plant via a multiphase pipeline. The onshore plant would export gas to the local market. Development costs would be in the order of US $250-$430m.

The discovery was made in 1967 with an appraisal well in 1990. It is expected that 12-15m bbl of recoverable oil will be the minimum field size that can economically be developed.

The joint venture has recently completed a number of subsurface derisking studies analysing 3D seismic and believes the discovery has P50 oil-in-place of 475m bbl, with 101m bbl of P50 contingent resources, assuming a known 625ft (190m) oil column.

Chevron’s subsea Lianzi moves one step forward

The award of the contracts for Chevron’s Lianzi subsea tie-back project between Angola and the Republic of Congo is slowly moving closer.

As previously revealed by AOG (see 15 December 2011), Subsea 7 is expected to be handed the major contracts. However, the award has been delayed by the fact that the field is in the shared zone between the countries with the governments distrustful and arguing over revenue sharing and monitoring.

However, last week the Angolan Cabinet approved the treaties in a meeting chaired by President dos Santos, according to a note after the meeting, and recommended the submission of the documents to the National Assembly for approval.

Chevron has until recently said it expects first oil in 2014 and back in March said it expected a final investment decision in the middle of this year. Sonangol has been suggesting a more conservative 2015 for first oil.

A series of shortlisted companies submitted their commercial bids for the project last September and sources say Subsea 7 will get the contract for the topsides modifications and fabrication work as well as the contract for supply and installation of umbilicals and flowlines - beating off competition from Saipem and Technip.

The project will take in 70m bbl of crude in the Zone d’Intérêt Commun, also known as Block 14K/A-JM1. This includes portions of Block 14 in Angola, operated by Chevron, and the Haute Mer block in Congo, operated by Total.

The crude will then enter a 42km single subsea pipeline to the existing Benguela Belize (BB) platform in Block 14 in Angola, where capacity is available as production is declining. Lianzi itself is in a water depth of 2,200ft-3,500ft (670m-1,065m) and the project will involve three subsea production wells and three water injection wells. The BB facilities are in a water depth of 1,280ft (390m).

Chevron made the original discovery back in 2004 in 2,980ft (909m) of water.

CNR sets new date for Côte d’Ivoire tie-back

Canadian Natural Resources (CNR) will now only drill an appraisal well on its potential tie-back Acajou satellite project off Côte d’Ivoire in 2014.

The company has been looking at the project as a tie-back to Espoir for several years, but with an eight well infill drilling programme on Espoir itself due to start shortly Acajou has been put back again.

The Acajou discovery was made back in 2003 with the Acajou South well near the Baobab and Espoir developments. After the initial Acajou discovery CNR were hoping it could be a stand alone project but an unsuccessful appraisal well in 2005 dashed hopes of a separate development. This Acajou North exploration well was sidetracked but eventually plugged and abandoned.

A subsea completion tied back to the East Espoir facilities was then considered almost certain.

Up to two other wells remain to be drilled: Acajou Central and Acajou Extreme South with drilling now likely in 2014 and first production in 2016.

The discovery well on licence CI-26 was drilled in a water depth of 3,050ft (929m). The well is located some 9km from the Espoir facilities.

It was drilled by the Sovereign Explorer rig and reached a total depth of 8,027ft (2,446m), encountering a gross oil column of over 250ft (76m). A 45ft (13m) interval of sands at the top of the oil column was tested at an average rate of 3,500 b/d of oil. The oil was of good quality 33° API, similar to that found in the Espoir field.

CNR holds a 66% stake in the block while Tullow has a 24% interest and national oil company Petroci holds 10%.

Aker snatches US $250m Angola subsea deal

Total has awarded Aker Oilfield Services a US $250m subsea intervention services contract in Angola.

The award is for the intervention vessel Skandi Aker which is the first well service vessel of its kind capable of performing riser-based subsea well intervention in deep and ultra-deep waters, thus negating the need for a costly rig in a tight market.

The firm two-year part of the contract has a value of $250m and there are also options for three further one year periods.
**Repsol targeting Moroccan offshore gas project**

Repsol is still hoping to firm up a commercial gas development off Morocco despite disappointing exploration nearby.

The 2009 Anchois discovery in the Tanger Larache licence was a rare offshore boost for the country.

The well was drilled about 40km from the coast to a total depth of 7,990ft (2,435m) in around 1,230ft (375m) of water. Estimates of reserves are around 100 Bcf.

The Spanish firm had hoped to add to this total with two new wildcats last year – Deep Thon-1 and Merou-1 – but both were dry.

However, Repsol has not given up and it has submitted an application for a reconnaissance licence to retain the acreage to determine if a development is commercially viable.

Exploration off Morocco has been rare in recent times with high-profile deepwater wildcats for Shell, Petronas and Vanco all proving disappointing.

However, a new breed of explorers targeting Cretaceous and pre-salt plays are moving into the country, with Kosmos planning to drill next year.

**Tullow adds to Ghana TEN project but reserves reduce...**

Tullow is likely to tie in a new discovery to its TEN project where bidding is ongoing but the reserves level has been downgraded.

The Wawa-1 exploration well in the Deepwater Tano licence was drilled around 10km from the Enyenra field which forms part of the TEN development. It encountered 65ft (20m) of gas-condensate pay and 43ft (13m) of oil pay. It was drilled in 1,925ft (587m) of water to a final depth of 10,900ft (3,322m).

Tullow said the find may be a future tie-back to the TEN FPSO development for which bidding is ongoing. The subsea tenders were issued last month for a base case of 26 production and injection wells and the 100,000 b/d FPSO design is in the optimisation phase. The plan of development is still on track to be submitted to the authorities later this quarter.

The company warned that development costs may rise. “We are in a tight market and we certainly see the tightness of the market as we go through the tender process,” Tullow COO Paul McDade said.

Tullow yesterday updated reserves volumes saying the most likely case is of 360m boe with 250m bbl of this being oil. Previously it put reserves at a most likely case of 400m boe.

...as East Africa export pipe costs rise

Tullow has lifted cost estimates for its development in Uganda while admitting the decision on the export pipeline route has been complicated by its discovery onshore Kenya.

The company now says that in order to bring out around 1.8 Bn bbl of crude from Uganda with a production potential of more than 200,000 b/d it expects to spend between US $8 Bn to $12 Bn on the upstream capital expenditure with another $2.5 Bn to $5 Bn on the export pipeline.

Part of the uncertainty over the pipeline cost comes from uncertainty over the route. There are still three routes being considered. The first is a direct crude pipeline to the coast at Mombasa in Kenya and the second a direct pipeline to Dar es Salaam in Tanzania.

However, it is the third route to the coast at Lamu in northern Kenya that may win the day. This would enable the pipe to take in crude from any oil discoveries in northern Kenya and Ethiopia. With a series of wells being drilled over the next six months, Tullow is likely to want to delay any decision until there is more evidence of commerciality.

“With the discovery in Kenya there are some great opportunities up to the north if we go the northern route... there are some pretty important synergies that can be achieved and we have already started working on that,” Tullow COO Paul McDade said yesterday.

**Petroceltic Algerian commerciality submission**

Petroceltic International now expects to submit a declaration of commerciality for its US $2 Bn Ain Tsila field development in Algeria next month.

A draft plan for the development was initially submitted in January with an original deadline of April but Petroceltic now says it has “...been substantially agreed. In addition, very significant progress has also been made towards the finalisation of the principal terms of the associated gas sales arrangements.”

The most recent agreed profile for the plan of development incorporates a most likely gross contingent resources level for the Ain Tsila field of 2.2 Tcf of gas and 180mm bbl of LPG and condensate with a wet gas production plateau rate between 350-400 MMcf/d.

Around 35 wells will be producing to achieve a plateau of 400 MMcf/d but around 200 wells will be needed in total to maintain this for 11 years, meaning two to three rigs will be needed each year.

Petroceltic’s estimate of most likely gas resource in place in the Isarene permit area is 10.3 Tcf.

In the meantime, Petroceltic is also trying to farm down more of its interest in the acreage. Last year it sold an 18.375% stake to Enel for $100m.

**Perenco/Cameroon finalise FSO deal**

Perenco together with Cameroon’s oil company SNH finalised a deal for a new floating, storage and offloading (FSO) vessel.

The FSO Massongo is being converted from a very large crude carrier by Keppel Shipyard in Singapore, under a contract awarded late last year. It will replace both the 1.1m bbl Tanker Pacific FSO Kingsway and the FSO Moudi which is moving into the country, with Kosmos targeting Cretaceous and pre-salt plays and Repsol getting Cretaceous and pre-salt plays are moving into the country, with Kosmos planning to drill next year.
Tanzania adds potential giant to deepwater round

Tanzania will add one extra, potentially hugely sought after, block to its licensing round due to start in September.

Originally, Tanzania Petroleum Development Corp (TPDC) was to open the round for eight ultra-deepwater blocks in the southeast of the country but has now decided to add one extra – Block 1C which neighbours Anadarko’s hugely successful Block 1 in Mozambique.

“We figure this block, 1C, has more or less the same geology and structure as Mozambique. If Mozambique is going to develop an adjacent block we want overlap so those operators can talk, cooperate together and share information,” said Kelvin Komba, principal petroleum geologist at TPDC.

The round is due to be launched on 13 September with bids opened in May. The blocks are in water depths of between 6,500ft and 8,200ft (2,000m and 2,500m). Tanzania’s last seven unlicensed offshore blocks, further off the country’s Indian Ocean coast in depths of 9,845ft (3,000m), will be auctioned at a later date, Komba said.

The other blocks up for grabs are: 1B, 2A, 3A, 3B, 4A, 4B, 5A and 5B.

Offshore Tanzania, BG is currently drilling the Papa-1 well in Block 3, which is expected to be completed by the end of this month. Petrobras is scheduled to start drilling in Block 6 in the fourth quarter after drilling the disappointing Zeta well on Block 5 earlier this year. Statoil and ExxonMobil are hoping to start a three well programme in the first quarter of next year in Block 2, the same block as the Zafarani and Lavani discoveries which hold about 9 Tcf of gas.

PetroSA targets giant Ghana/Mozambique deals

PetroSA is trying to become a junior partner in two major projects – targeting a stake in some of the most prolific blocks off Ghana and Mozambique.

In Ghana, the South African firm is looking to buy out Sabre Oil from its 1.7% in the Jubilee field and 4.05% in the Deepwater Tano block. Existing partner Kosmos had agreed a US $365m deal earlier in the year after the other partners waived their pre-emption rights but pulled out without winning government approval.

PetroSA is also in talks with Eni to possibly take a stake in its Area 4 off Mozambique, where the company last year made its biggest operated gas find in its history.

“We hope to conclude [the Sabre deal] in the near-term future,” PetroSA CEO Nosizwe Nocawe Nokwe said.

Shell goes straight to Anadarko after pulling out of Cove battle

Shell pulled out of the bidding for Cove Energy’s share in Anadarko’s successful acreage off Mozambique after deciding to go straight to the operator to buy a stake.

The European major left Thailand’s PTTEP with the highest bid for the stake in Area 1 off Mozambique, as well as in five blocks with the same operator in Kenya where drilling will start later this year.

Anadarko has made no secret of the fact that it will be selling off some of its 36.5% interest in Area 1 as the development will require huge amounts of money and technical LNG expertise.

It had been expected that Anadarko would sell next year after further exploration and appraisal had maximised reserves value but Shell is understood to have pulled out of the Cove bidding after deciding it could get a better deal by going to Anadarko directly.

This would enable it to ensure that if it does become involved it does as operator of the project, as none of the other partners have its technical LNG experience.

Alternatively there may also be future smaller stakes available from minority Indian partners Bharat Petroleum and Videocon Industries which could go for a lower price with PTTEP out of the equation.

CNOOC bites into Shell’s Gabonese pre-salt

CNOOC has farmed into two Shell pre-salt deepwater blocks off Gabon.

The Chinese firm will take a 25% stake in Blocks BC9 and BCD10 off central Gabon. The latter neighbours Total’s Diamba block where a pre-salt wildcard is planned for the first quarter of next year on the Mango or Mango South prospects with similar source rock to Angola.

Last year CGG shot a conventional 7,900sq km 3D survey for Shell over its acreage but also a BroadSeis acquisition designed to “...achieve excellent penetration of the complex salt to provide clearer imaging of the pre-salt targets as well as simultaneously providing unrivalled bandwidth for the investigation of shallow amplitude anomalies.”

CNOOC will reimburse Shell for 25% of certain past exploration costs and carry part of the future exploration costs. Shell will remain operator with 75% interest.

Anadarko spins out of Liberia double

Tullow is taking over Anadarko’s interest in two high-profile blocks off Liberia where commercial reserves have proved harder to find than hoped for.

The UK firm is increasing its interest in Blocks LB-16 and LB-17 from 25% to 42.5% although Anadarko appears to be keeping its interest in Block LB-15. This is the only block in which a well has been drilled – Montserrado – which was sub commercial.

Tullow exploration director Angus McCoss recently said the companies would now take a break from drilling while they revisit seismic after disappointing drilling in Liberia and neighbouring Sierra Leone.
Kenya ready to licence as Tullow/Anadarko prepare to hand back…

Kenya will be relicensing some of the most attractive on and offshore acreage it holds.

Tullow Oil has to hand back a quarter of two onshore blocks, including one where the country’s first oil discovery was made, while Anadarko must hand back a quarter of five deep-water blocks where drilling will start later this year.

“They are surrendering their portion [of the blocks], and we’ll use that to make blocks again,” said Alfred Odawa, a consultant geologist at the Energy Ministry. “From there it will be open and anybody can apply to take it ... We’ll pick the highest bidder.”

Tullow will hand back a share of Block 10BB where the Ngamia find was made in March as well as a quarter of neighbouring Block 13T where it will shortly drill the high impact Twiga prospect – both are Tertiary.

Anadarko will surrender 25% of each of its five offshore blocks. Odawa said the companies must decide by September which areas they want to surrender.

“The companies are going to give up the part of the blocks that are the least valuable to them. Then we will survey and figure out what to do with [the acreage],” Odawa said.

The production-sharing contracts stipulate that explorers must surrender a quarter of their blocks after two years if the block is onshore or three years if it is offshore.

Presently, the only unlicensed block offshore Kenya is deep-water L26, although Odawa said a deal with Statoil is nearly complete.

…as Marathon pays US $80m for Kenya debut

Marathon Oil has become the latest operator to play catch-up and buy its way into East Africa – paying up to nearly US $80m for a stake in two blocks onshore Kenya.

Africa Oil Corp is again the company selling off to newcomers – this time a 50% interest in Block 9 and a 15% interest in Block 12A.

Block 9 is a 30,220sq km Cretaceous block where Africa Oil will retain the remaining 50%. The first well is expected to be spudded in the second quarter of next year.

Block 12A is operated by Tullow and covers 15,389sq km to the south of Block 10BB where the Ngamia discovery was recently made. A new 2D seismic shoot is expected to start later this quarter.

In total Marathon will pay an entry fee of US $35m as well as funding Africa Oil’s share of future expenditure over the next three years up to a maximum of $43.5m.

Marathon and Africa Oil also agreed to look at joint initiatives in Ethiopia while Africa Oil also passed on operatorship of Blocks 7 and 8 in Ethiopia to New Age (Africa Global Energy) headed by former Marathon executives. Africa Oil also sold another 15% in Block 12A to Tullow in return for $0.8m plus up to $3.1m of seismic.

Keith Hill, Africa Oil’s president, said: “The consideration to be received from Marathon Oil will allow us to both accelerate the exploration in the blocks that Marathon Oil is farming into as well as provide additional funding to the company for the accelerated exploration program on the Tertiary rift trend being executed in partnership with Tullow Oil.”

Panoro looks at Gabon/Nigeria sale

Panoro Energy is looking to sell off its assets in West Africa including a stake in a potential FPSO project off Gabon and the on-off Aje project off Nigeria.

The Norwegian firm said last week that it is “...to initiate a process to explore and evaluate potential strategic alternatives for its West African business unit with a view to enhancing shareholder value.”

Panoro has a 33.33% interest in Harvest Natural Resources’ Dussafu Marin shallow water block off Gabon. Harvest previously said it believes it already has adequate reserves to go ahead with an FPSO development of the Ruche Marin discovery on the block but plans to drill one more well later this year or early next to tip the balance in favour of a project (see AOG 17 May).

Fastnet looking for more after joining Kosmos off Morocco

Newly listed Fastnet Oil & Gas made its first acquisition off Africa in a Kosmos operated block and said it is likely to make another before the year end.

The UK minnow, which has some of the senior executives of East Africa success story Cove Energy on board, is looking to add a lower risk exploration asset off Africa after taking up interests off Morocco and the Celtic Sea.

Last week Fastnet acquired Pathfinder Hydrocarbon Ventures for US $8.0m. The company’s asset was an 18.75% stake in the Foum Assaka acreage in the Agadir Basin off Morocco which is operated by Kosmos.

The area has been becoming increasingly popular due to hopes for the Cretaceous plays, and 4,800sq km of 3D seismic over the block is currently being processed with Kosmos having said a well is likely to be drilled next year - although this is not a commitment.

Fastnet also has a 12 month option to take a 50% participating interest in the Merada onshore block which contains a biogenic gas play, successfully tested by Repsol and Circle Oil in Morocco.

To date, 18 wells have been drilled in the Agadir basin of which 16 have had hydrocarbon shows. The vast majority of the wells have been located in shallow water on the Jurassic carbonate platform. Two wells have been drilled in the onshore basin area but there has been no valid test of the Kosmos Cretaceous fan play in an optimum geological location. Barrus Petroleum, which has an interest in the undeveloped Cap Juby oil field, was recently sold to Genel Energy led by Tony Hayward.
AP gets rig for extra Liberia drilling

African Petroleum (AP) is to take a second rig for its drilling programme off Liberia starting later this year.

While the company is still in talks with PetroChina over a possible farm-in, AP this week raised nearly US $90m to contract a second rig to drill an appraisal well at its Narina discovery in Block LB-09 (see AOG 23 February).

The rig has been conditionally contracted and is expected to arrive in September or October. This is in addition to the Eirik Raude semisub which is now expected to arrive in November for a two well programme.

Narina had a pre-drill estimate of 500m bbl of oil and AP is hoping the well clipped the edge of a 250sq km Turonian fan system. The location of the following two wells remain uncertain and the rig may drill another appraisal well or an exploration well. There is also the possibility of a well in Gambia where AP is operator of Blocks A1 and A4.

PetroChina currently has an exclusive period to agree an investment of up to 20% of Block LB-09 in Liberia and up to 20% in one or more exploration blocks in Côte d’Ivoire, the Gambia, Liberia, Senegal and Sierra Leone.

Sinopec plans E Guinea deep double and new block

Sinopec will drill two more deepwater wells on its acreage off Equatorial Guinea next year while it is also in negotiations to take another block.

The Chinese firm is operator of Block S where a non-commercial oil find was made with a well last year. New 3D has since been shot over the 2,287sq km block which surrounds Hess’ producing Ceiba field.

Gabriel M. Obiang Lima, the country’s Minister of Mines, Industry and Energy, said the company may also sign up for new acreage.

“We are inviting [Sinopec] to negotiate in another block, but they haven’t concluded discussions with us,” Obiang said.

After a few years of little activity, Equatorial Guinea has seen a resurgence in licensing this year with Noble Energy, Dana Petroleum, Vanco and Murphy Oil signing up for a total of five blocks (see AOG 28 June).

Hong Kong based Elegance Power is also said to have recently signed a memorandum of understanding for both on and offshore blocks on the sidelines of the fifth Forum on China-Africa Cooperation in Beijing.

Equatorial Guinea has also asked Sinopec to build a 20,000 b/d refining and petrochemical complex in the country, which later could be expanded to 60,000 b/d.

American companies have historically had the strongest ties with Equatorial Guinea but, as elsewhere in Africa, Chinese firms are happy to use their financial power to help boost ties.

Murphy targets 2013 Cameroon deep wildcat

Murphy Oil may drill in a deepwater block off Cameroon next year.

The US independent took over operatorship of Sterling Energy’s Ntem concession late last year and the latter said yesterday: “Murphy has indicated that the first exploration well may be drilled as early as 2013, with potential drilling slots identified in their exploration programme.”

However, this will depend on the end of force majeure as the block is in an area disputed by Cameroon and Equatorial Guinea.

“The company believes that, following the elections in Cameroon in October 2011, both countries are actively working to resolve this issue but no specific timetable can be forecast,” Sterling said.

When force majeure is lifted, there will be 15 months remaining in the current exploration period which includes the drilling of one exploration well.

The block is in water depths ranging from 1,310ft to 6,560ft (400m to 2,000m) in the southern Douala/Rio Muni Basin.

More than 2,100 km of 2D and 1,500sq km of 3D seismic data have been acquired and the partners believe the block is well placed with respect to both Cretaceous and Tertiary stratigraphic plays.

Puntland wildcat heads deeper after water test

The second wildcat in Puntland is drilling ahead to final depth after a delay for a drill stem test only uncovered water.

Horn Petroleum is drilling the Shabeel North well to a planned total depth of 7,875ft (2,400m). The well had penetrated a 165ft (50m) gross section of upper Jessoma sands with oil shows at a depth of 6,455ft (1,967m). However, the drill stem test recovered fresh water with no traces of oil.

The plan is to drill to total depth and evaluate by electrical logging to determine if further testing is warranted. Petrophysical analysis of downhole electrical logs in the first Shabeel well indicated a potential pay zone in Jessoma sands between 40ft and 65ft (12m and 20m) with an average porosity of 18-20%.

Upon completion and testing of the Shabeel North well, the rig will move back to Shabeel-1 to flow test the identified sands.
Hess is preparing to test a second find off Ghana after making a gas condensate discovery with the first in a three well programme.

The US independent already has the Paradise discovery on its Deepwater Tano Cape Three Points block where it is in the middle of a three well campaign testing three different play types.

The Stena DrillMAX drillship last month completed the Hickory North well which encountered around 100 net ft (30m) of gas condensate pay. This was a test of a deeper Cretaceous structure below Paradise. It has now completed the Beech prospect around 8km north of Paradise and is currently conducting wireline logging. This is a lookalike structure to the original discovery. The drillship will next drill the Almond prospect which is a stratigraphic channel sand play 32km west of Hickory North.

The Paradise well itself encountered an estimated 490ft (150m) net of oil and gas condensate pay over three separate intervals.

It was drilled to a total depth of 16,436ft (5,010m) in a water depth of 6,038ft (1,840m). The three intervals are Turonian, Cenomanian and Albian. The well was drilled in the far north of Hess’ block south of the Jubilee field (see AOG 9 June 2011).

Total deepwater Nigerian wildcard

Total is drilling ahead on that rarest of things – a deepwater exploration well off Nigeria.

Earlier this month it spudded the Owowo West well in OPL 223 near the existing Owowo South find.

The latter was discovered back in 2009 (see AOG 10 December 2009). The well was drilled in a water depth of 2,200ft (670m) reaching a total depth of 7,305ft (2,227m).

This is a potential tie-back candidate as it is around 20km from the Usan field in OML 138 from which production started earlier this year. The undeveloped Ukot discovery lies between the two in OML 139.

Total signed up for OPL 223 offshore southeast Nigeria in 2007 after negotiations for the block had originally foundered in 2006, when the authorities told the French firm that an NNPC subsidiary was to take a stake.

The block lies in water depths of between 656ft to 3,280ft (200m to 1,000m).

Hess hits Ghana wildcat double

Hess is preparing to test a second find off Ghana after making a gas condensate discovery with the first in a three well programme.

Tullow targets Mauritanian quartet

Tullow Oil will launch a four well exploration campaign targeting new deeper plays off Mauritania next year.

The programme will start in the first half of the year and has an inventory of 80 prospects with 41 of these being Cretaceous turbidites similar to Jubilee, 23 salt traps similar to the Gulf of Mexico and nine being carbonates similar to Nova Scotia.

The exact wells are still being decided but the programme is likely to be dominated by Cretaceous turbidites.

The company this year acquired 739sq km of PSTM 3D seismic and has been reprocessing 3,780sq km of 3D PSDM data.